NRI Resource for Development

@*410. SHRI RAJUBHAI PARMAR:
SMT VEENA VERMA:

Will the. .Minister?; of FINANCE be

(a) Whether. Government have made an assessment of the enormous reserve of.of resources available with NRIs and

(b) Whether any steps have been taken,to explore thepossibilities of securing NRI resources for development projects in India; if so, the details in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) 'Recognizing the resource potential at the disposal of Nou-Resident Indians, Government have extended to the Non-Resi-dent Indians, and Overseas Corporate Bodies a range of facilities for direct in vestments in Industrial projects. They are now permitted to invest upto 100 per cent foreign equity in industries, subject to certain conditions.

Industrial Undertaking Financed by IFCI

*411. DR. MURLI MANOHAR JOSHI:

SHRI RAM .RATAN RAM-Will

the Minister,of FINANCE be pleased to Stete.

(a),what, are the names: of Industrial Undartakings financed by the Industrial Finance Corpoiation of Indian which have been running into .losses,... during,, the last five years

(b). what is the amount of total loss to the IFCI because of the above units running into losses;

(c) whether the Directors of IFCI on the Boards of .the above Companies have brought the, losses to the notice of the IFCI; and

(d) what steps IFCI have taken to recover the loans from the above compal, ies and in initiating cpdrective action for; the revival of the above Units?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The names of the: industrial, undertakings financed by the Industrial Finance Corporation of India (IFCI) which have been running into losses, during, the last five years cannot be disclosed in view of the Public Fir nancial Institution (obligations as to Fidelity, and Secrecy) Act, 1983,

(b) It is not possible to quantify the losses, suffered by IFCI on account of these companies as the units incurring losses in one year need not necessarily be incurring losses in subsequent years and may start making profits. Similary companies might incur losses in the initial years: of production and may stabilise and make profits in subsequent years.. Further, since many of the loss making units are meeting the institutional obligations, they do. not necessarily cause losses to IFCI.

(c) IFCI have- appointed nominee doctors on most of the companies who also report about losses incurred by these companies.

(d) Recovery of dues is a continuous: process and the outstanding loan amounts are recovered by IFCI in accordance with the repayment schedules incorporated in the relevant documents. When. ever industrial, concerns commit defaults-in payment of dues to IFCI, necessary follow-up action is taken by discussing the problems with the promoters and chief executives of such concerns. The. affairs, of such concerns are also specials ly monitored through progress reports and site inspections. Depending upon the nature *of* problems faced by the units, suitable rehabilitation packages are extended in consultation with other partict pating institutions,, banks,, and the promoters. Mergers with, or takeovers, by, financially strong, unite .am also worked, out wherever possible,Jta case of, faihure:

@Previously Starred Question 349, transferred from 17th December, 1992.